



IHS UFMS Overview

Tribal Discussions

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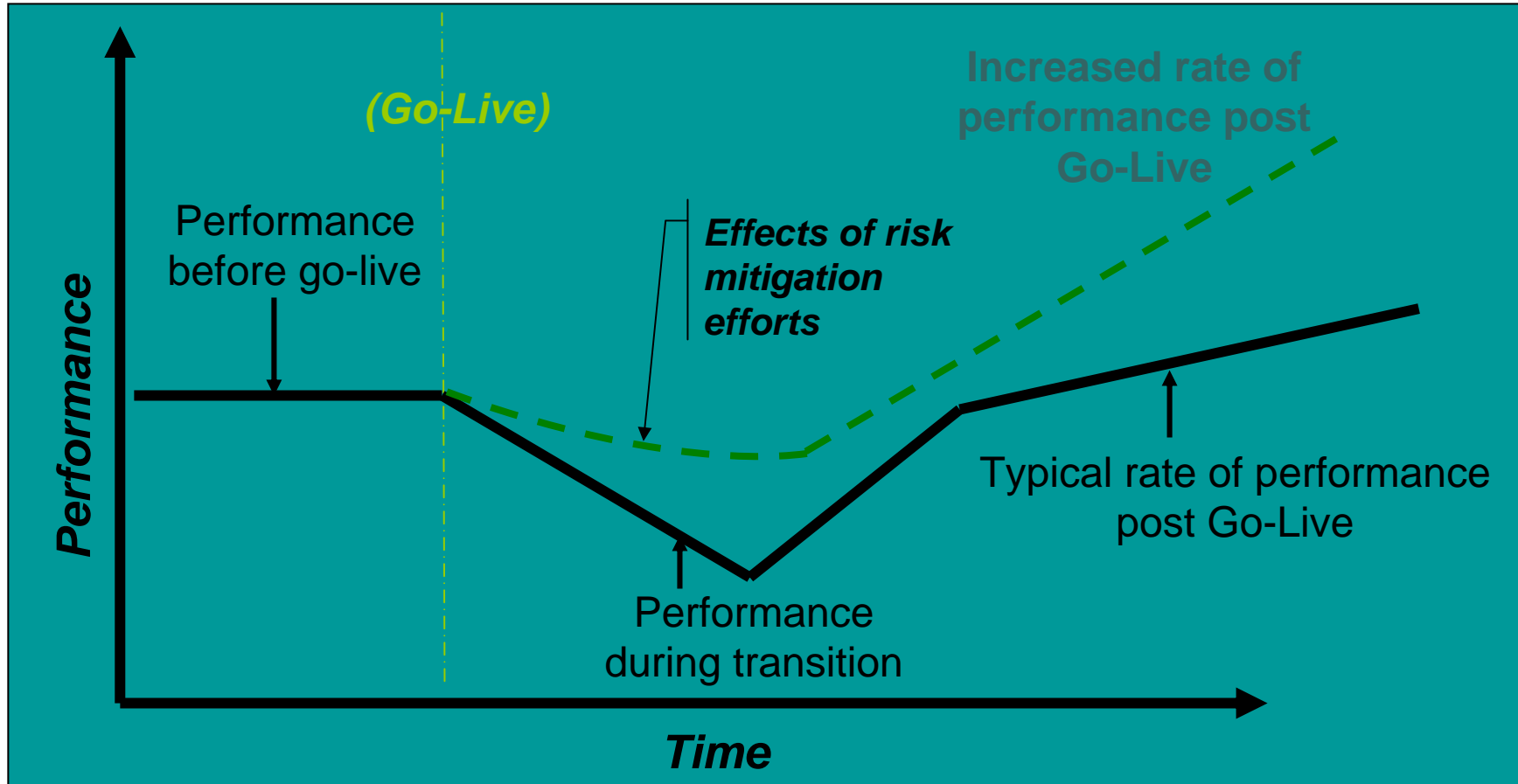
Why UFMS

- **Improved financial systems effectiveness and efficiency:** HHS achieves significant tangible benefits by replacing redundant and technologically outdated financial systems with an integrated, modern, web-based system.
- **Enhanced information management:** UFMS produces accurate, timely, reliable, and relevant financial information to help managers and leaders make fact-based operational decisions.
- **Compliance with legislative mandates and regulatory requirements:** By implementing a well-designed UFMS, HHS improves its ability to satisfy legislated financial management mandates (such as those stipulated in the Chief Financial Officers Act of 1990, the Government Performance and Results Act of 1993, the Government Management Reform Act of 1994, and the Federal Financial Management Improvement Act of 1996).
- **Improved management internal controls:** UFMS strengthens internal controls through the institution of a secure system designed around standard business rules, data requirements, and accounting policies.
- **Better economies of scale:** Among other significant benefits, UFMS provides HHS with single points of data entry and accelerated end-of-year financial reporting by reducing and/or replacing labor-intensive procedures with automated consolidated reporting capabilities.

- October 18, 2007: IHS achieves UFMS Go-Live, completing one of the world's largest and most complex implementations of Oracle Federal Financials

- UFMS-related challenges for IHS include:
 - Unique mission to provide quality patient care for American Indians and Alaska Natives
 - Geographically dispersed Area Offices, Service Units, and end users
 - Decentralized operating environment
 - Performance dip as end users learn the new software

Managing Organizational Risks Minimizes the “Performance Dip”



There is always a temporary performance dip for large scale implementations – how leaders manage these risks affects how severe the dip will be and how long the dip will last

Minimizing Impact of “Performance Dip”

- Developing and distributing job procedures
- Deliver WebEx sessions on critical topics
- Tiger teams sent to Areas
- Backlog transaction entry available
- Help users complete security approval process
- Allow for longer lead time for transactions until you become comfortable with the system
- Review status of documents on a regular basis
- Request assistance from local TASS
- Request assistance from the Help Desk
- Request assistance from Headquarters

- Following the October implementation, the UFMS project at IHS is completing the Stabilization period and moving to Steady-State Operations
- This period entails:
 - Addressing critical technical and functional issues arising immediately after implementation that affect everyday operations
 - Mitigation and resolution of initial issues, with the Support Team turning its attention to System enhancements
 - Knowledge transfer to ensure IHS ownership and continued success of the System

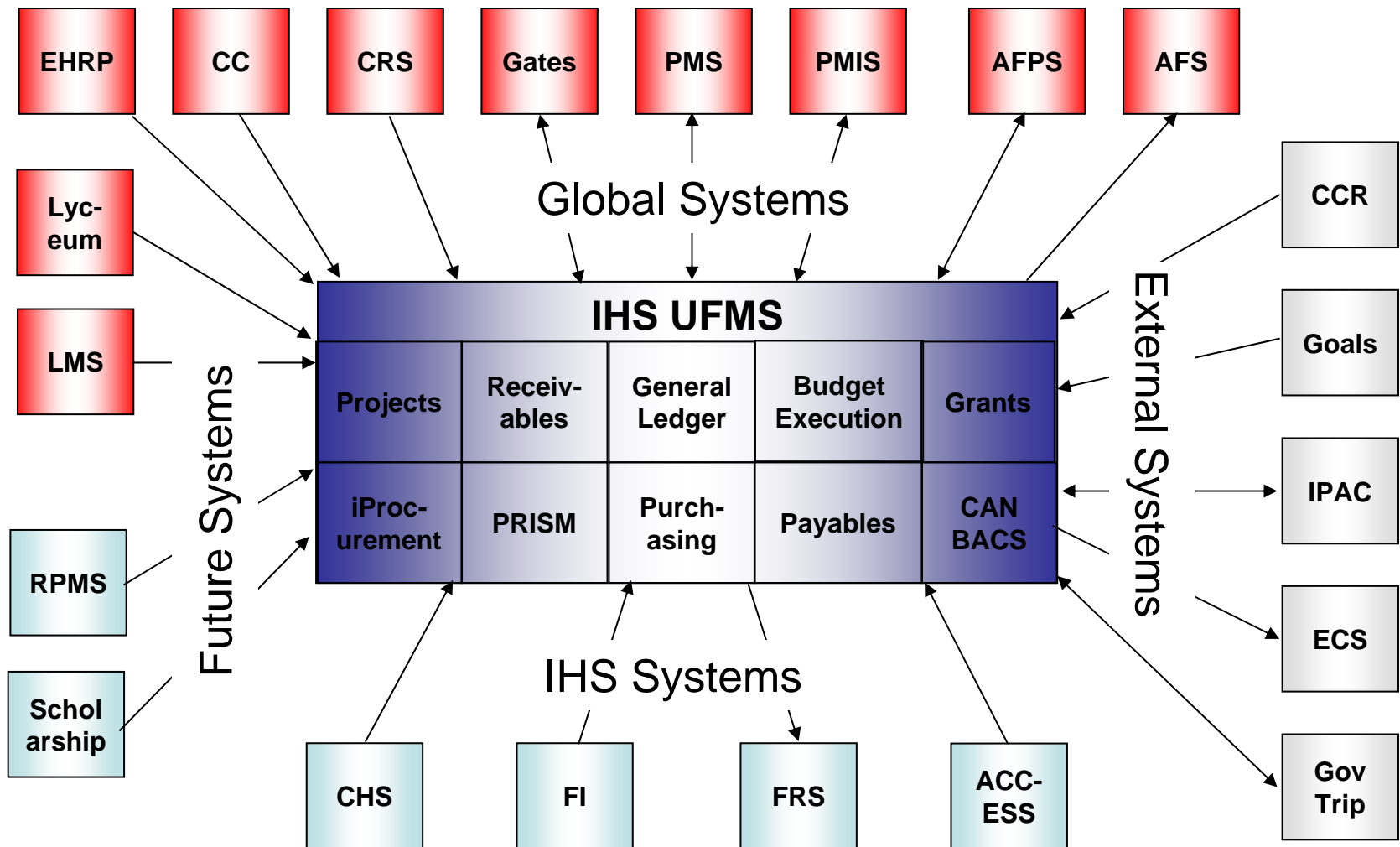
Relative to other Agencies who previously deployed UFMS, IHS is on the upward side of the performance dip; transaction volume is increasing across the board.

Document	IHS	FDA	CDC	PSC
Commitment	16,730	9,530	NA*	NA**
Obligations Converted	179,286	8,630	28,867	54,873
Obligations Created	173,545	19,099	111,040	19,515
Payments	171,938	34,788	142,644	90,300
UFMS Users	2,233	1,211	1,591	1,000

* CDC performing commitments in ICE with interface to GL

** PSC using paper requisitions outside of UFMS

Overview: UFMS for IHS



- Users Access to the System
 - Supporting Areas in completing security process
- Carry Forward Funding not all available
 - Remaining Carry Forward Funding released
- RPMS interface not running
 - Manually entering balances in UFMS to release funds
- Contract volume less than expected in many Areas
 - Sending teams to Areas to increase usage of system
- Suspense Account Balances
 - FI clearing payments still in suspense for some Areas
 - P-Card approvals and clearing payments still in suspense for many Areas
 - SPS and IPAC clearing payments still in suspense for many Areas
 - AFPS still in suspense for many Areas
 - Working with the Areas to resolve suspense balances

Challenges: Mitigation in Progress

Production Dip	<ul style="list-style-type: none"> ▪ Tiger Teams sent to select Areas to assist with issues requiring immediate resolution ▪ Individuals sent to field to provide hands-on assistance to increase user knowledge and improve user performance
Backlog of Invoices: Due to production dip and blackout period	Providing option to Areas to enter backlog of invoices and clearing payments
Data Cleanup from Conversions	Aiding the continued effort to clean up converted data
Geographic dispersion of Agency and autonomous operating environment of Area Offices	Continuing intensive communications effort leveraging conference calls, WebEx training sessions, IHS UFMS Intranet

Challenges: Unmitigated

Security Clearances	<ul style="list-style-type: none"> ▪ Lengthy process ▪ Inconsistent messages regarding security requirements ▪ Affecting all users, especially Commissioned Corps
PRISM Processing	<ul style="list-style-type: none"> ▪ Financial system processing dependent on usage ▪ Outside of Finance's authority to influence activity
First audit supported by IHS	<ul style="list-style-type: none"> ▪ Significant learning curve to overcome in performing first IHS-supported audit
First year-end close	<ul style="list-style-type: none"> ▪ Testing and validation must be performed
HCAS deployment in June and October and Oracle software upgrade	<ul style="list-style-type: none"> ▪ Testing and validation must be performed to ensure deployment does not affect IHS UFMS operations

Conclusion

- IHS focused on balancing Stabilization of UFMS with IHS' Mission of providing patient care at 562 federally recognized tribes with more than 2.5M American Indians and Alaska Natives
- IHS recognizes the benefits of the system when it is fully stabilized

Global Systems

- Employees – EHRP and CC
- Grants – CRS, Gates and PMS
- Assets – PMIS
- Payroll – AFPS
- Reporting – AFS
- Tuition – Lyceum (Future)
- Training – LMS (Future)

IHS Systems

- Obligations – CHS and Scholarship (Future)
- Invoices – FI and Access P-Card
- Receivables – RPMS (Future)
- Reporting – FRS

External Systems

- Vendors – CCR
- Reporting and Reconciliation – GOALS
- Payments and Receipts– IPAC AP and AR
- Payments – ECS
- Obligation and Invoices – Gov Trip

Retired Systems

- ARMS
 - Acquisition – conversion receipts continue until documents closed
 - Training – tracking until LMS deployed
 - Reporting
- CORE